



October 5, 2009

Washington State Building Code Council  
906 Columbia Street SW  
Olympia, WA. 98504-2525

RE: Proposed Amendments to Codes

Dear Council Members:

On behalf of the Washington REALTORS®, I am transmitting our comments on proposed amendments to the state's building codes under consideration regarding fire sprinklers and energy code updates. We appreciate the time and work of the Council on these important and complex issues.

As an Association, we represent nearly 20,000 REALTORS® throughout the state that live and work in the urban, suburban and rural areas of the state. Our members work not only find the right home for their clients but are actively involved in their communities, including participating and working at the state and local levels of government to ensure legislative and regulatory changes are reasonable and cost effective so homes remain affordable to those currently and in the future living and working in communities across the state. The remainder of our letter addresses our concerns.

### **Fire Sprinklers:**

REALTORS® appreciate efforts to make new homes safer by the installation of fire sprinklers. In considering this addition of sprinklers to homes, it is important to consider changes that have occurred over the years with respect to governing building construction. Homes have become much safer due to changes in residential housing construction and products; stricter building code changes; manufacturer changes for various appliances and products used in homes; much safer heating options; and changes in consumer behavior. As a result home fires and the loss of life have declined over the time.

The Council has received a lot of information regarding fires and loss of life. Much of the information presented discusses National statistics which are useful and some information on Washington state fire history in summary form. As the

Council considers the testimony presented, information should be provided to the Council on the details of Washington fires. The Washington fire history information that has been submitted to the Council regarding Washington's fire history should be augmented with additional detail including: cause of the fire; the location of the fire; the type and year of construction of the home; whether sprinklers were present and operational status in the homes; status of the presence and operation of smoke alarms; the location of the structure fire (urban or rural area); and what percent of all fires are occurring in new home construction and the cause of these fires.

While sprinkler technology and design has improved over the years, there is still a concern by consumers regarding failure of the systems to operate or operate properly or accidentally being triggered resulting in water damage. Sprinklers do fail for a variety of causes as evidenced in studies conducted by the National Fire Protection Association.

The detailed information on Washington fires should be considered objectively to determine whether a "one size fits all" state mandatory standard is warranted or whether it is best to allow local jurisdictions to make this determination.

The actual cost of a voluntary private residential fire sprinkler system according to study by the Building Code Council last year, could range from \$1.50 to \$8.50 per square foot. This could mean an additional \$1,800 to \$10,200 for a 1200 square foot home or \$3,000 to \$17,000 for a 2,000 square foot home. It is harder and harder for consumers, particularly first-time homebuyers, to enter the new home market given the stricter lending requirements today.

This year Congress approved a first-time homebuyer tax credit of \$8000 to stimulate the housing market and the nation's economy. REALTORS® support this tax credit and are working to encourage Congress to extend the tax credit. Given the cost of sprinkler systems noted in the Council's study, it is easy to see that \$8000 may not be enough to get a first-time homebuyer into a new home given all the other costs that determine the total new home price.

The additive cost of a sprinkler system and accompanying labor costs, permitting costs, water hook-up charges together with insurance and maintenance costs (periodic inspections of the system) is just one more factor consumers take into account when buying a home. If there is a home without a sprinkler system priced less than one with such a system, and all other factors being equal, a consumer who does not value the additional fire safety of a sprinkler system will more likely than not choose the cheaper home.

This year Snohomish County considered the requiring fire sprinklers in new homes to prevent home fires. In April of this year, the Snohomish County Association of REALTORS® conducted a telephone survey of a sample of registered voters. Findings included:

- 69% of those surveyed opposed the addition of sprinklers to new homes with 26 % in favor of the proposal
- Two-thirds of those surveyed agreed with the statement that indoor sprinkler systems should be optional as “Individuals and families know best what they can afford and what their home needs to be safe from fires.” Approximately 31% agreed that sprinkler systems should be mandatory and that they “....save lives, money and prevent fires from spreading to other areas.”

In part, due to the survey information, Snohomish County did not require mandatory fire sprinklers in new home construction.

Fire safety in residences is important. The causes of the residential fires in Washington will inform Council members as to the potential solutions and whether fire sprinklers in new homes are the best and most cost-effective and reliable solution to fires in single family and two family structures.

### **Energy Code Updates:**

Energy efficiency is an important issue and REALTORS® support energy code standards for new construction that are cost-effective and sustainable for the useful life of the buildings. During the last two sessions of the Legislature, REALTORS® have worked to bring a balanced approach to more stringent policy and regulations to address the state’s carbon emissions. We believe it is important for the Council to consider Washington’s carbon emission level; the Growth Management Act; the economy and impacts to homeowners, as energy code requirements are considered.

### **Washington’s Contribution:**

As the Council reviews the updates to the Washington’s Energy Code, REALTORS® ask the Council consider Washington’s contribution to the global carbon emissions. Washington is one of the cleanest states in the nation. We already have some of the most stringent and effective environmental protection laws. Our state’s carbon emissions only amount to three-tenths of one percent of all global emissions and one percent of all U.S. emissions. Transportation contributes 50% of these emissions and buildings a much smaller portion of the remaining 50% of emissions generated by the state! Already major steps are being taken to reduce the impact of transportation: electric car initiative, alternative fuels initiative, and improving our state’s land use planning with sufficient infrastructure to reduce people’s commute.

Over the last two decades energy efficiency has increased in residential and commercial construction. Buildings today account for small portion of the energy consumed in our state. This does not mean we should not continue to work on

energy efficiency in residential and commercial buildings but as the governor and the legislature determined in 2ESSB 5854, it should occur incrementally.

### **Accommodating Future Growth:**

We also ask the Council to consider the impact of its decisions on the implementation of the state's Growth Management Act (GMA) adopted by the Legislature to manage and plan for the jobs and population growth expected in the state. Some of the key goals of the Act focus are:

(4) Housing. Encourage the availability of affordable housing to all economic segments of the population of this state, promote a variety of residential densities and housing types, and encourage preservation of existing housing stock.

(5) Economic development. Encourage economic development throughout the state that is consistent with adopted comprehensive plans, promote economic opportunity for all citizens of this state, especially for unemployed and for disadvantaged persons, promote the retention and expansion of existing businesses and recruitment of new businesses, recognize regional differences impacting economic development opportunities, and encourage growth in areas experiencing insufficient economic growth, all within the capacities of the state's natural resources, public services, and public facilities.

(10) Environment. Protect the environment and enhance the state's high quality of life, including air and water quality, and the availability of water.

Much of our housing stock is already built and has existed for a number of years; much of it built prior to the state's first energy code. When new codes are adopted, unless there is an exemption granted, older homes and commercial/industrial structures become subject to the adopted codes when owners decide to remodel or do tenant improvements. Therefore, it is important for the Council to consider the affect these regulations have on both new construction and on the existing homes and businesses with respect to the ease and cost of compliance over the life of the buildings. If our energy code requirements are too stringent and costly to implement, new construction will slow and homeowners and businesses will not upgrade their buildings. We could face a significant reduction in the potential opportunity to reduce our emissions in the building sector (existing and new) as well as not provide the housing choices to meet the needs and income levels of the residents of our communities.

### **Economy**

Construction activity is one of the major drivers of Washington's economy. The state's economy is not strong; while it appears that there are signals it is

improving there is still potential for commercial and further residential loan defaults in the next few years.

The days of easy loan qualifications are over. Today there are more stringent requirements to qualify for residential and commercial loans. Much of the money being lent today comes from lenders outside the state of Washington and lenders focus on projects that have certainty of being constructed and consider a number of factors including the regulatory environment where a project is located. Given the significant role of construction activity on Washington's economy and changes in financing as a result of financial institution failures, it is extremely important to consider the economic impact of the energy code updates.

As the Council considers the testimony provided on cost, it is important to consider the availability of materials and technology to achieve the each code requirement. In constructing buildings more than one requirement will bring a cost factor to the overall price of a home or rents in commercial buildings. The cost analysis cannot just consider the individual cost of one amendment but also consider the cost of a package of code requirements that realistically would be required during project approval and construction. And then there must be an evaluation of the cost of requirements versus the resulting achieved reduction in carbon emissions.

#### International Energy Conservation Code (I.E.C.C.):

- Finally, the State Building Code Council has adopted a motion to review the International Energy Conservation Code in the next couple of years. The changes made to the Washington Energy Code this year should be carefully weighed in light of the motion. Major changes to building codes are extremely difficult for both local jurisdictions as well as the construction community. This can result in confusion and a slowing of the review, permit approval and inspection of projects and code enforcement at a time jurisdictions are downsizing staff and struggling to balance budgets. Given the impact on local jurisdictions and the potential short time span, the Council should consider whether to now is the time to amend Washington's Energy code or wait to adopt the IECC.

#### **Summary:**

REALTORS® understand that the work of the Council is focused on complex, technical regulations to implement legislative policy but we believe it is important for the Council to consider the policy context surrounding development in Washington's communities. Given the state and nation's economy, we ask the Council to consider the timing and cost of the sprinkler and energy code changes to ensure housing cost increases are minimized. We would ask the Council not to let good intentions to lead to the adoption of a "one-size fits all" sprinkler requirement or aggressive energy standards add substantial costs to housing

and commercial properties, stifling economic activity and placing a further strain on the state budget. But more importantly, the changes chosen must ensure housing is affordable for Washington's working families and that these changes don't inadvertently price families out of the housing markets in our communities.

For these reasons we strongly recommend the Council:

- 1) Sprinklers: Vote "no" to mandatory fire sprinklers for single-family and two-family housing products and approve an amendment to allow sprinklers to be considered on a voluntary basis by local jurisdictions.
- 2) Energy Code Updates: Delay the implementation of the proposed energy code amendments until the Council takes steps to adopt the IECC. If the Council determines to adopt changes to the energy code, then only those amendments that most closely match the IECC as provided in testimony before the Council

Thank you again for the opportunity to provide comments. If you have any questions regarding our comments, please call Jeanette McKague in our office at (360) 259-9910.

Sincerely,

Nathan Gorton, Government Affairs Director  
Washington REALTORS®

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